



REPORT

2013

# Overview of the Chicago Housing Market

Background Data for  
Chicago's 2014-2018  
Housing Plan

Prepared by

**INSTITUTE FOR  
HOUSING STUDIES**





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## KEY

THE FOLLOWING SYMBOLS DENOTE  
CHARTS AND DATA THAT ARE RELEVANT  
TO THE FOLLOWING TOPIC-SPECIFIC  
CONSULTATION SESSIONS.



Preservation



Housing Development



Community Development



Related Data Available on the  
IHS Data Portal or Website at  
[housingstudies.org](https://housingstudies.org)

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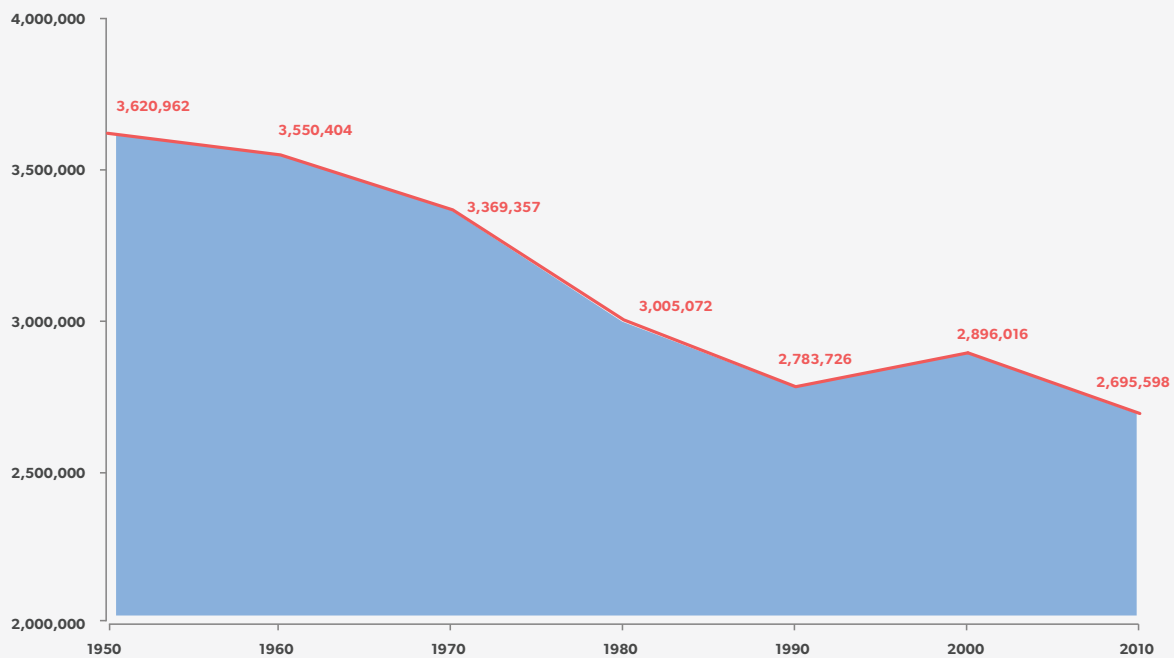
# Who Lives In Chicago's Neighborhoods

Chicago is a city defined by its neighborhoods, and understanding changes in the demographic and economic make up of the City and its neighborhoods are the foundation of developing effective housing policy. The following data highlight both historic and recent demographic and economic trends and patterns including population change, age of population, household income, and unemployment levels.

CHART 1



CHICAGO'S DECLINING POPULATION: CHANGE IN CITY OF CHICAGO POPULATION, 1950 TO 2010

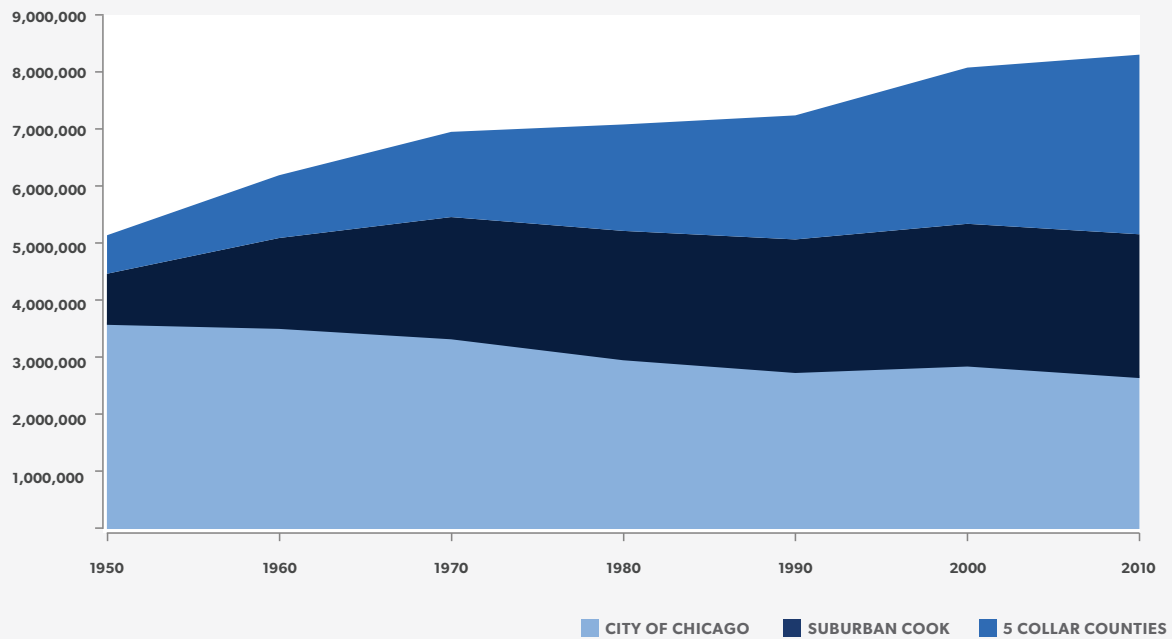


SOURCE: U.S. DECENNIAL CENSUS, 1950-2010

## CHART 2

C

CHICAGO'S DECLINING POPULATION: CITY OF CHICAGO'S POPULATION CHANGE COMPARED TO CHICAGO SIX-COUNTY AREA, 1950 TO 2010



SOURCE: U.S. DECENNIAL CENSUS, 1950-2010

## TABLE 1

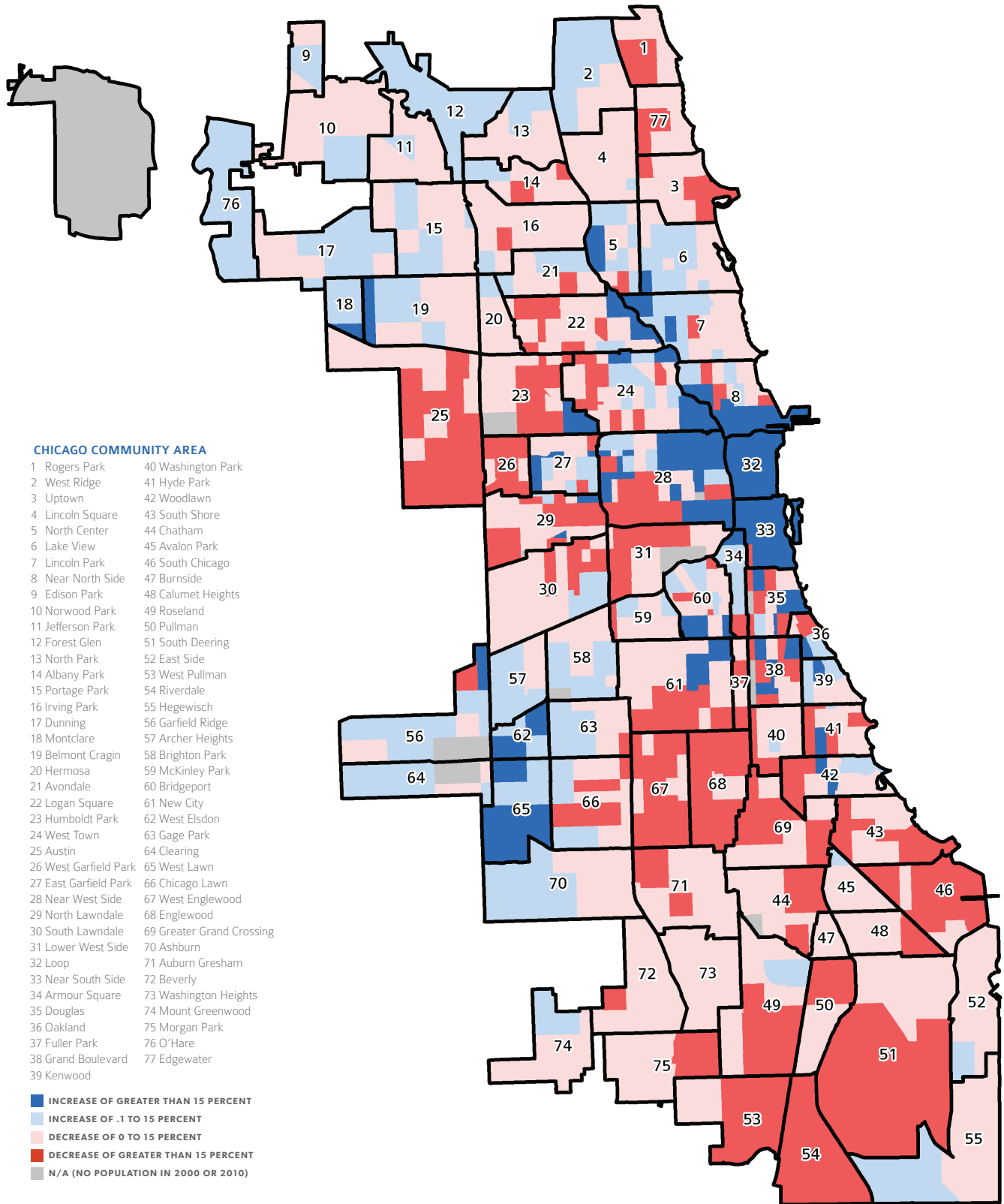
C

CHICAGO'S DECLINING POPULATION: CITY OF CHICAGO POPULATION CHANGE COMPARED TO TOP TEN CITIES, 2000 TO 2010

City	2000	2010	% Change
New York City	8,008,278	8,175,133	2.1%
Los Angeles	3,694,820	3,792,621	2.6%
Chicago	2,896,016	2,695,598	-6.9%
Houston	1,953,631	2,099,451	7.5%
Philadelphia	1,517,550	1,526,006	0.6%
Phoenix	1,321,045	1,445,632	9.4%
San Antonio	1,144,646	1,327,407	16.0%
San Diego	1,223,400	1,307,402	6.9%
Dallas	1,188,580	1,197,816	0.8%
San Jose	894,943	945,942	5.7%

SOURCE: U.S. DECENNIAL CENSUS, 2000 AND 2010

NEIGHBORHOOD LEVEL VARIATION IN POPULATION TRENDS, POPULATION CHANGE BY CITY OF CHICAGO CENSUS TRACT, 2000 TO 2010



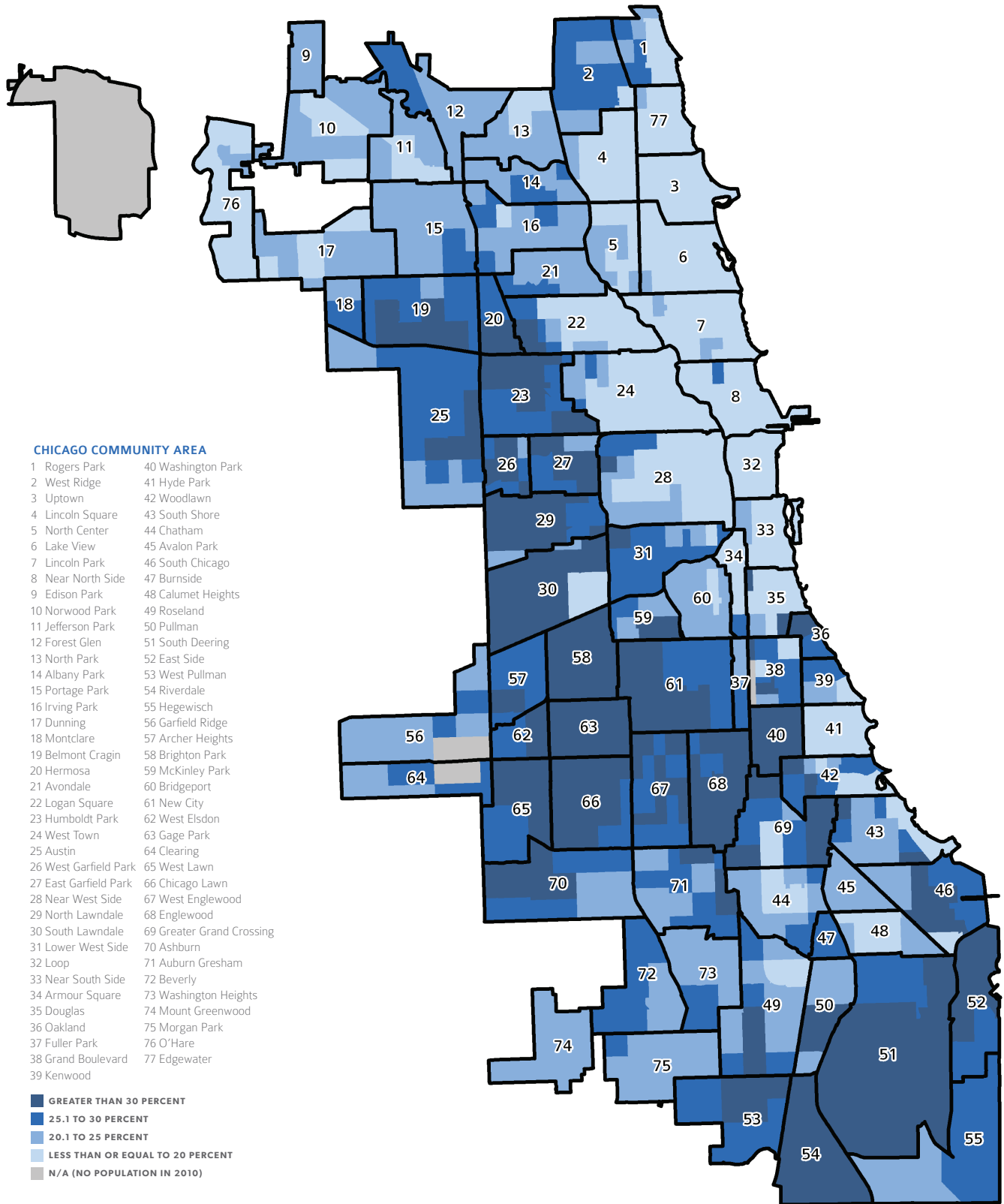
SOURCE: U.S. DECENNIAL CENSUS, 2000 AND 2010

CITY OF CHICAGO'S CHANGING RACE AND ETHNIC COMPOSITION: POPULATION CHANGE BY RACE/ETHNICITY IN CITY OF CHICAGO AND SUBURBAN COOK COUNTY, 2000 TO 2010

	Race/Ethnicity					
	White	African American	Latino	Asian	Other	All
<b>City of Chicago</b>						
2000	907,166	1,053,739	753,644	124,437	57,030	2,896,016
2010	854,717	872,286	778,862	144,903	44,830	2,695,598
% Change	-5.8%	-17.2%	3.3%	16.4%	-21.4%	-6.9%
<b>Cook Suburbs</b>						
2000	1,651,543	336,709	318,096	133,406	40,971	2,480,725
2010	1,423,641	393,492	465,900	173,966	42,078	2,499,077
% Change	-13.8%	16.9%	46.5%	30.4%	2.7%	0.7%
<b>Cook Total</b>						
2000	2,558,709	1,390,448	1,071,740	257,843	98,001	5,376,741
2010	2,278,358	1,265,778	1,244,762	318,869	86,908	5,194,675
% Change	-11.0%	-9.0%	16.1%	23.7%	-11.3%	-3.4%

SOURCE: U.S. DECENNIAL CENSUS, 2000 AND 2010

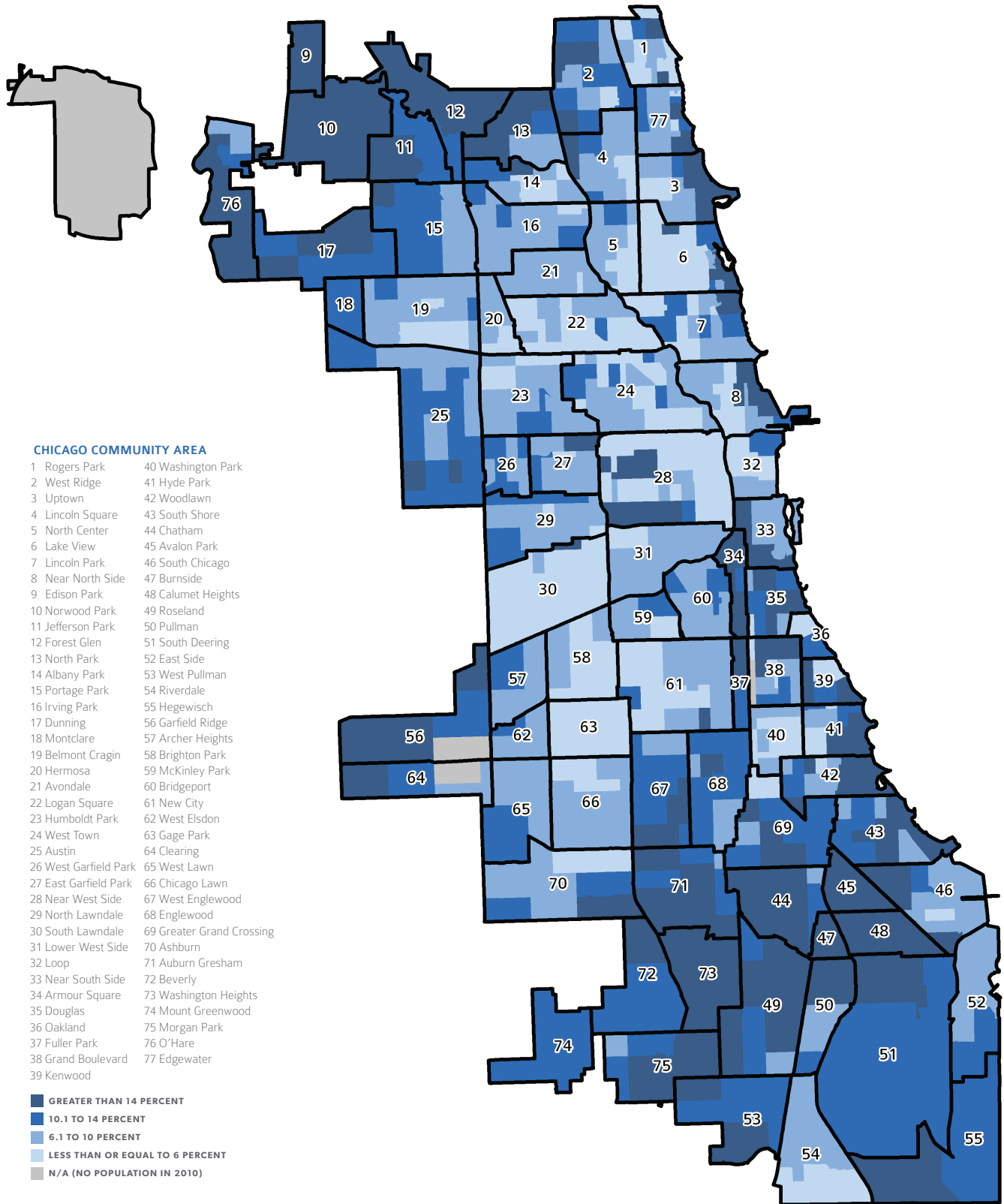
NEIGHBORHOOD-LEVEL DEMOGRAPHIC VARIATION: SHARE OF POPULATION THAT IS UNDER AGE 18 BY CITY OF CHICAGO CENSUS TRACT, 2010



SOURCE: U.S. DECENNIAL CENSUS, 2010

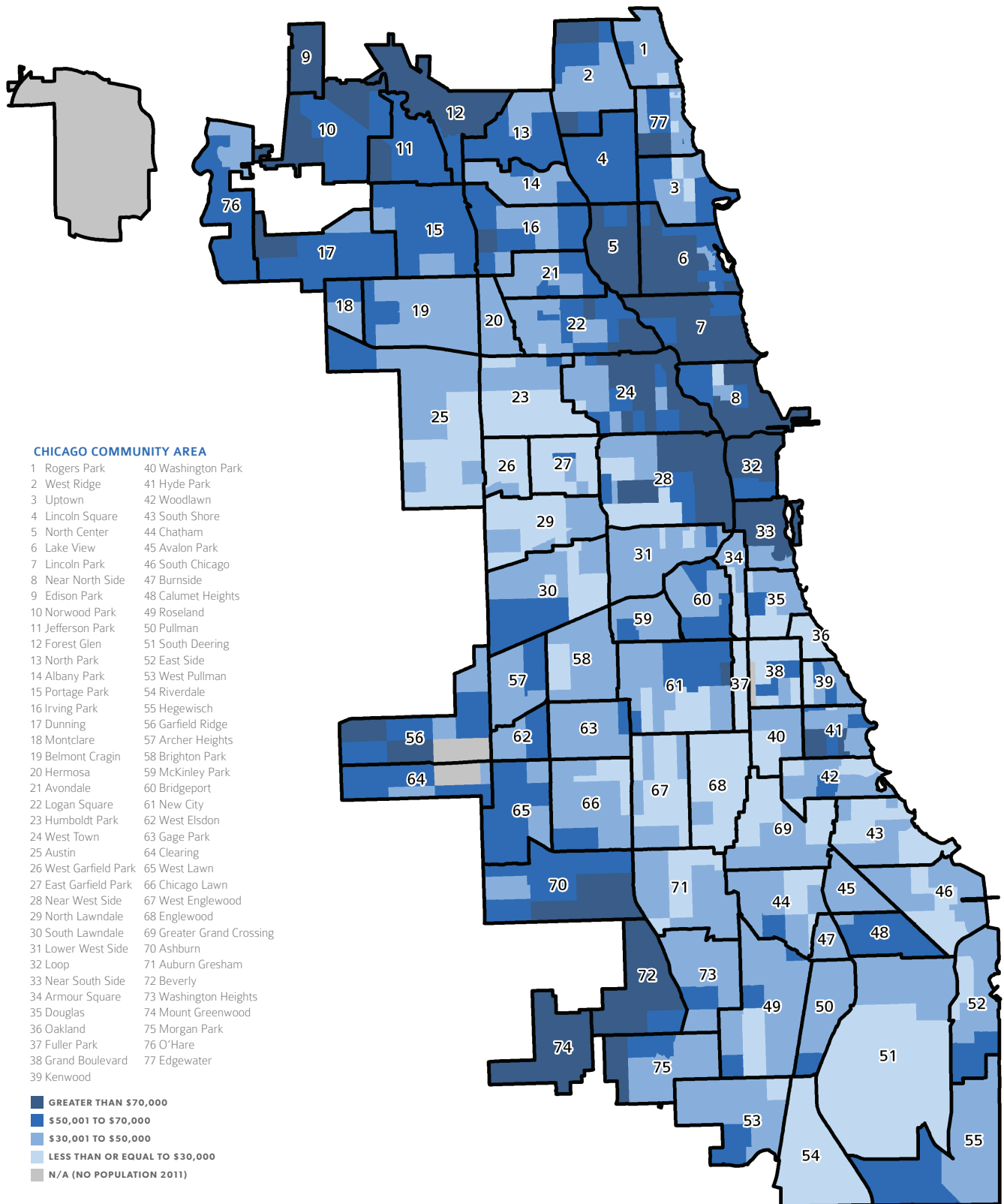


NEIGHBORHOOD-LEVEL DEMOGRAPHIC VARIATION: SHARE OF POPULATION THAT IS AGE 65 OR OVER BY CITY OF CHICAGO CENSUS TRACT, 2010



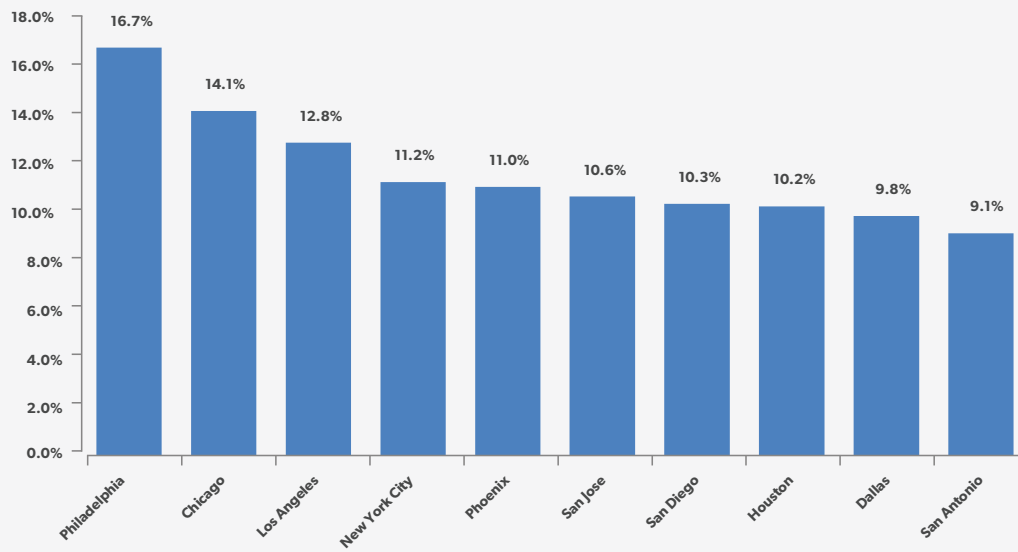
SOURCE: U.S. DECENNIAL CENSUS, 2010

## ECONOMIC CONDITIONS: MEDIAN HOUSEHOLD INCOME BY CITY OF CHICAGO CENSUS TRACT, 2011



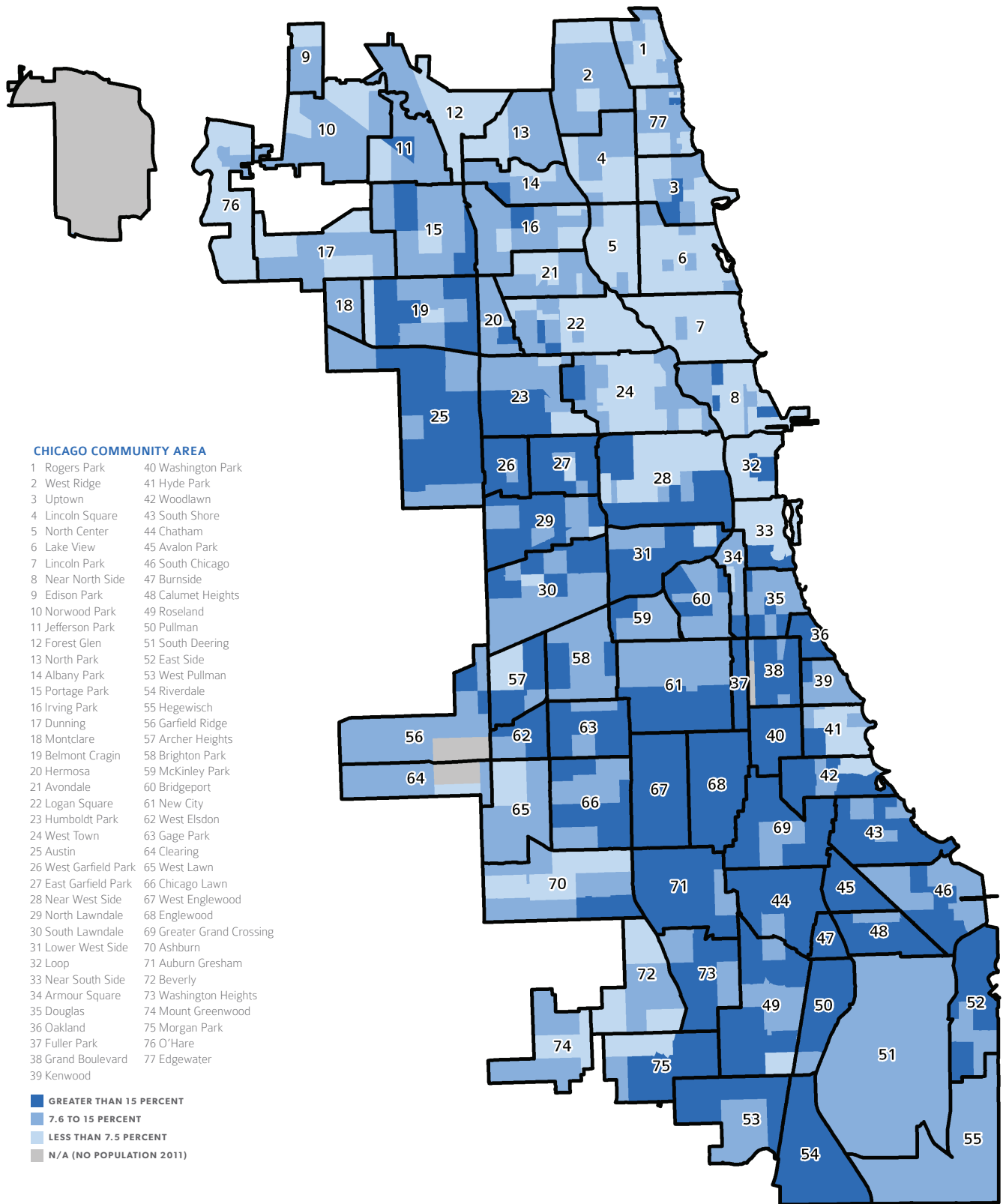
SOURCE: AMERICAN COMMUNITY SURVEY, 2011 5-YEAR ESTIMATES

ECONOMIC CONDITIONS: CITY OF CHICAGO UNEMPLOYMENT LEVELS COMPARED TO TOP TEN CITIES BY POPULATION, 2011



SOURCE: AMERICAN COMMUNITY SURVEY, 2011 1-YEAR ESTIMATES

## ECONOMIC CONDITIONS: UNEMPLOYMENT RATE BY CITY OF CHICAGO CENSUS TRACT, 2011



SOURCE: AMERICAN COMMUNITY SURVEY, 2011 5-YEAR ESTIMATES



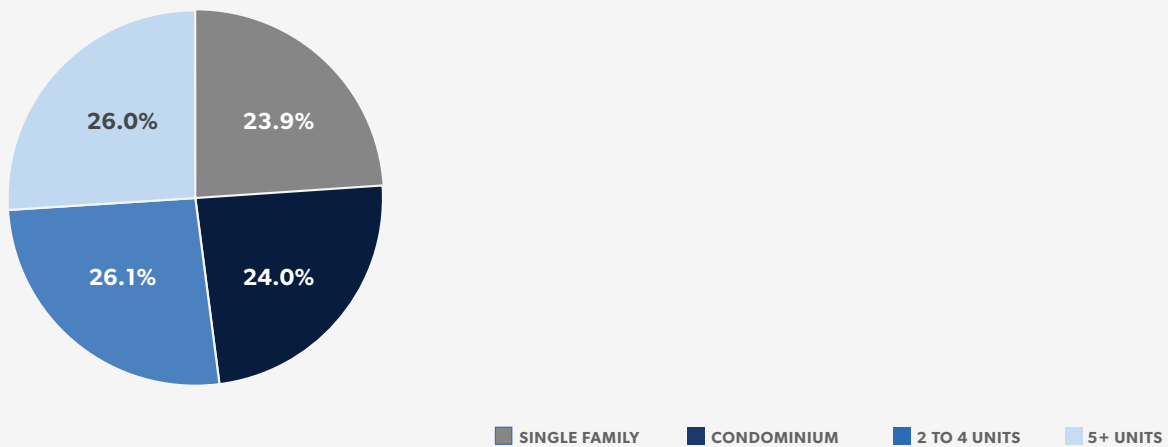
# Where People Live

One of the defining characteristics of housing in Chicago is the diverse nature of the housing stock and the geographic concentrations of certain housing types in neighborhoods. The following data highlight the types and geographic patterns of housing found in Chicago, the age of the multifamily rental housing stock, and the geographic patterns and concentration of government assisted rental housing units.

CHART 4

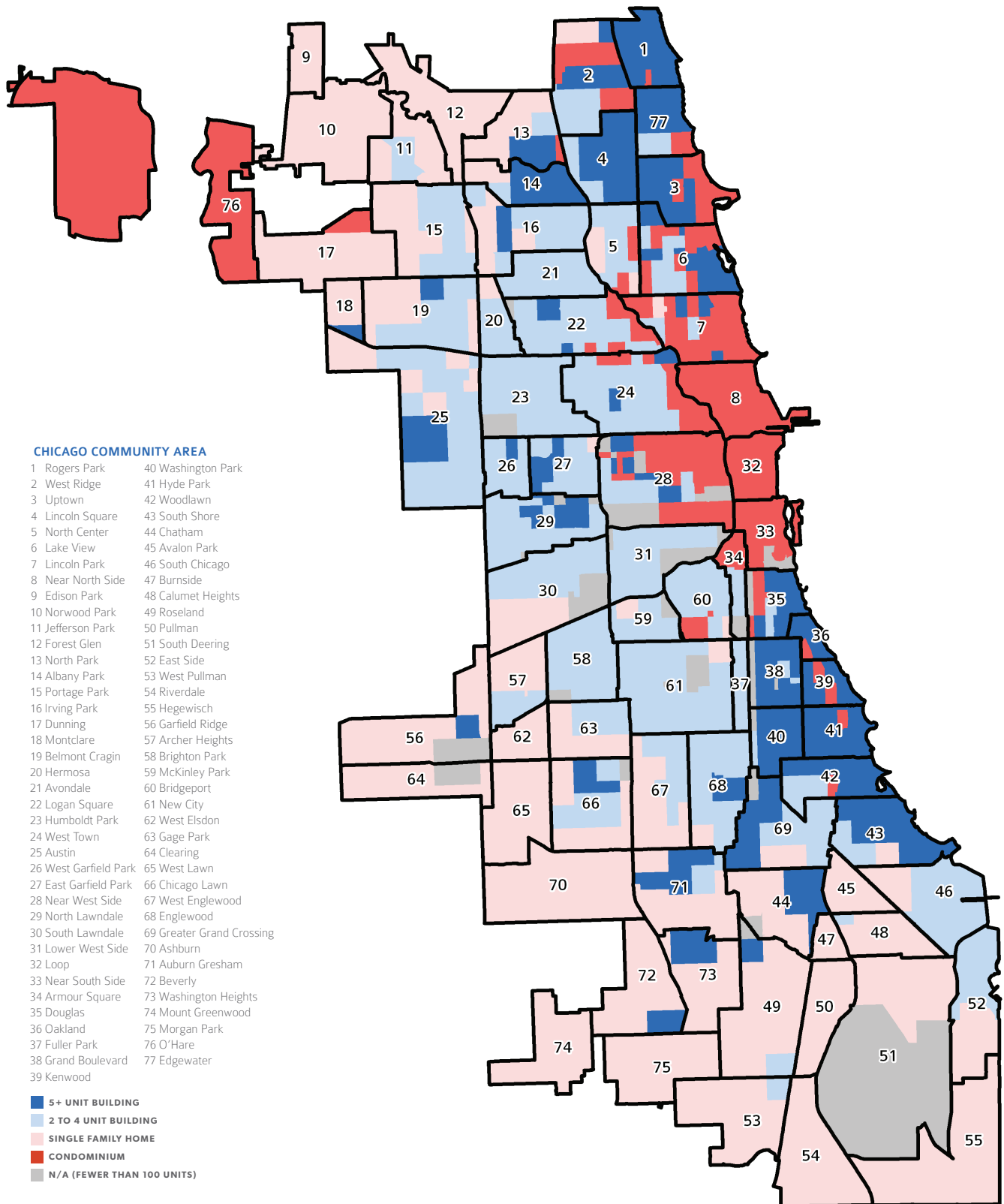
IHS

CITY OF CHICAGO'S HOUSING STOCK: SHARE OF UNITS IN DIFFERENT PROPERTY TYPES, 2011



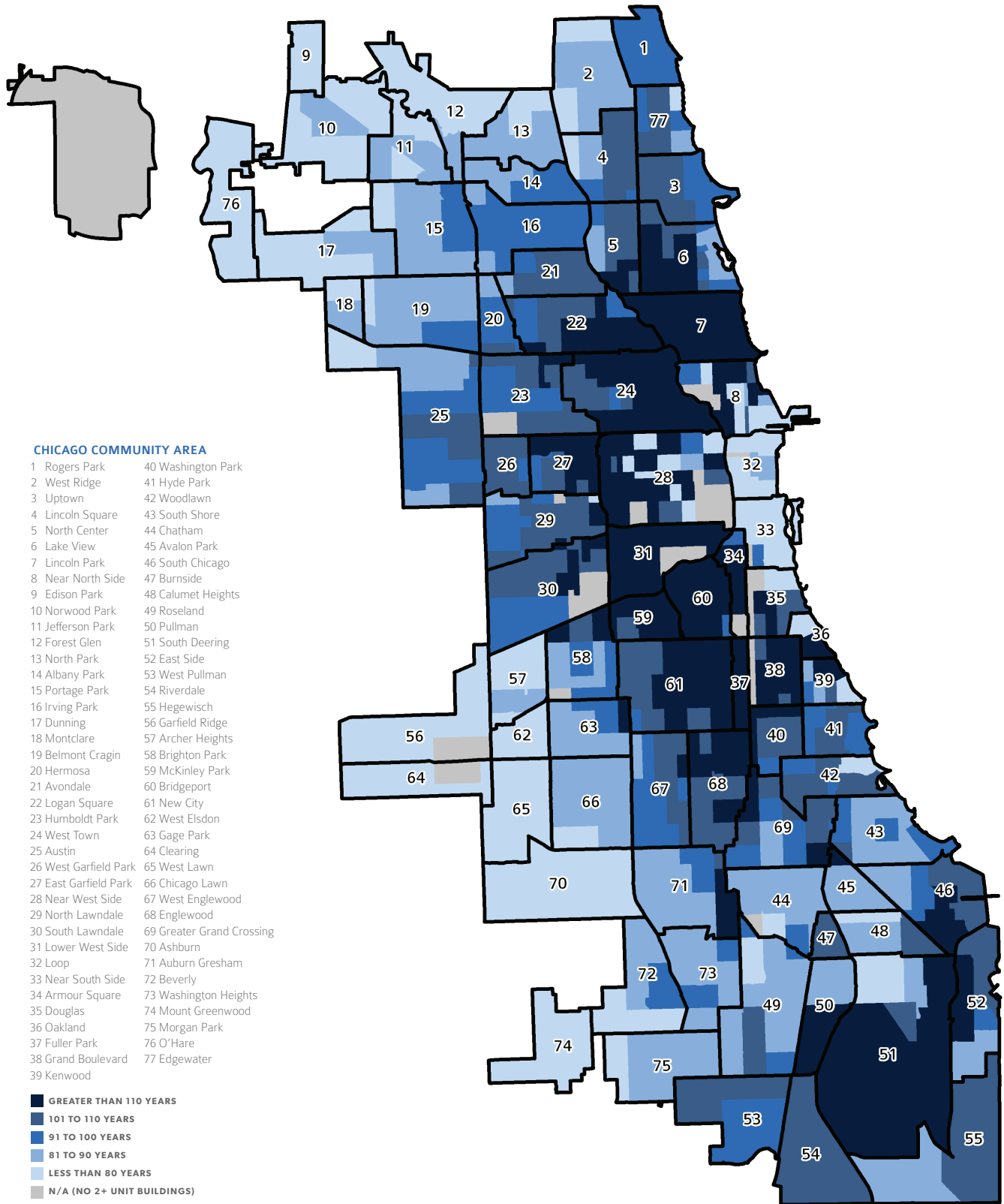
SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM COOK COUNTY ASSESSOR

CITY OF CHICAGO'S HOUSING STOCK: PREDOMINANT HOUSING TYPE BY SHARE OF TOTAL UNITS BY CITY OF CHICAGO CENSUS TRACT, 2011



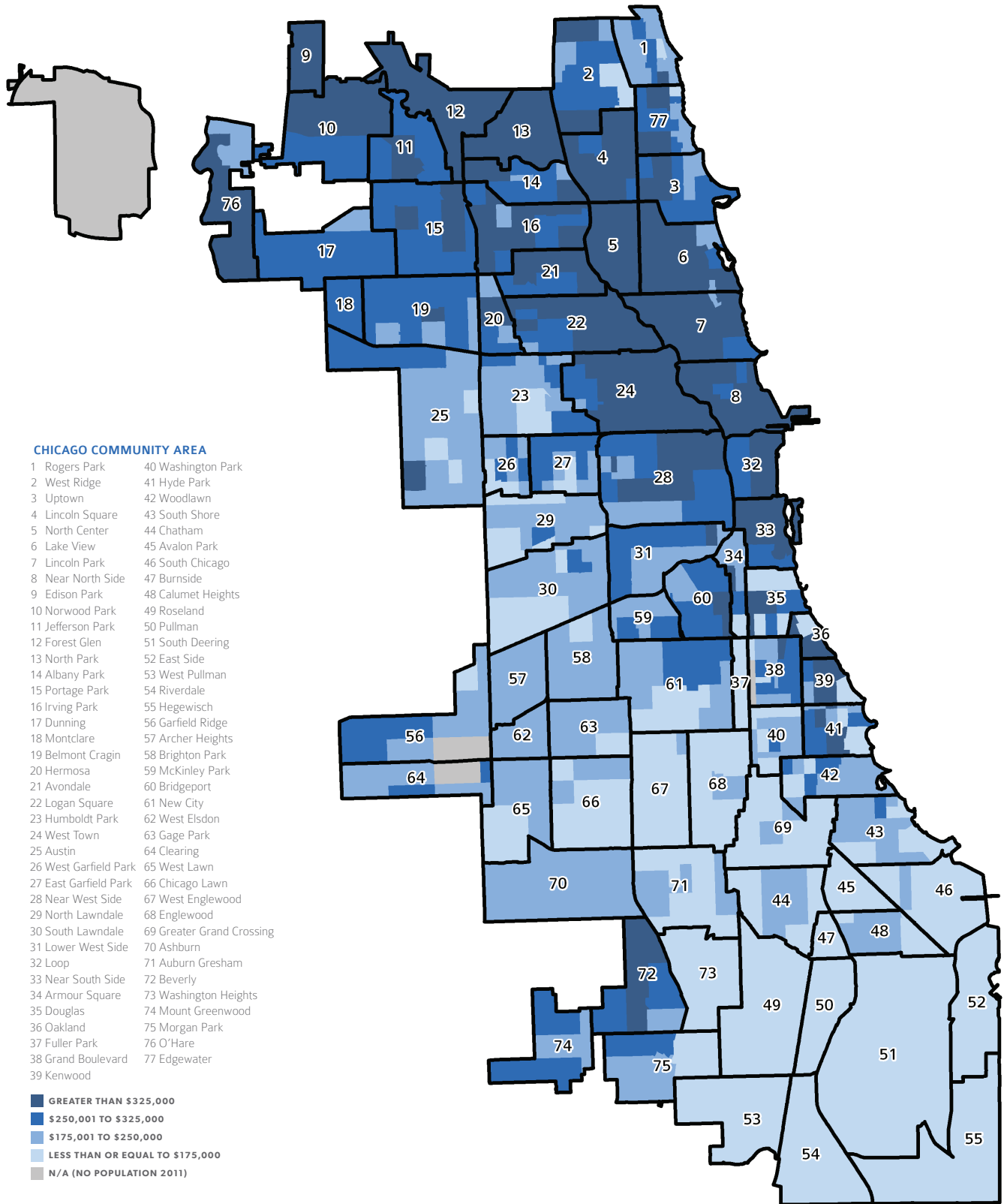
SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM COOK COUNTY ASSESSOR

## CITY OF CHICAGO'S HOUSING STOCK: MEDIAN AGE OF 2+ UNIT BUILDINGS BY CITY OF CHICAGO CENSUS TRACT, 2011



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM COOK COUNTY ASSESSOR

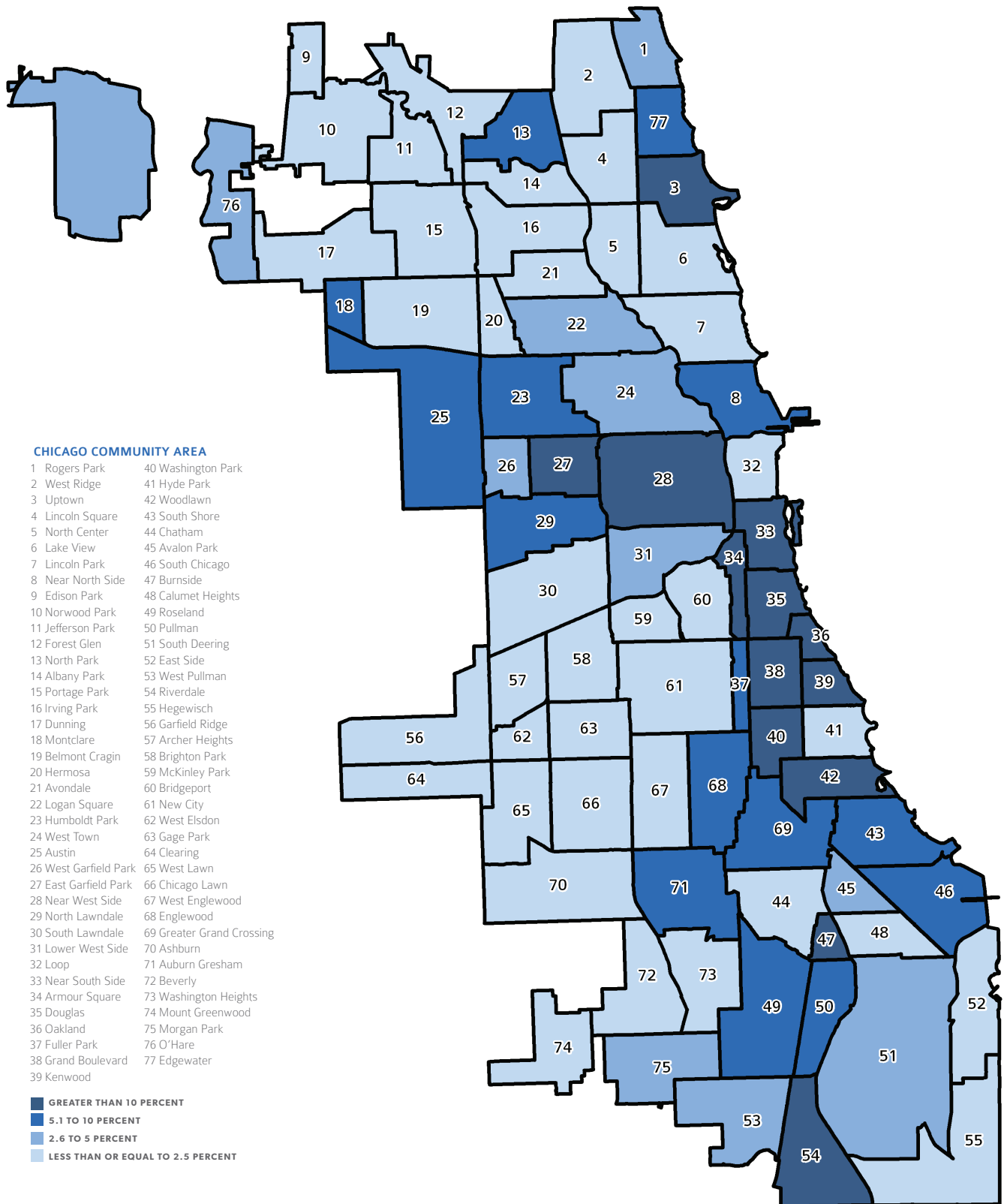
## CITY OF CHICAGO'S HOUSING STOCK: MEDIAN HOME VALUE OF OWNER-OCCUPIED PROPERTIES BY CITY OF CHICAGO CENSUS TRACT, 2011



SOURCES: AMERICAN COMMUNITY SURVEY, 2011 5-YEAR ESTIMATES



CITY OF CHICAGO'S HOUSING STOCK: SHARE OF TOTAL HOUSING UNITS THAT ARE IN GOVERNMENT-ASSISTED HOUSING DEVELOPMENTS BY CITY OF CHICAGO COMMUNITY AREA

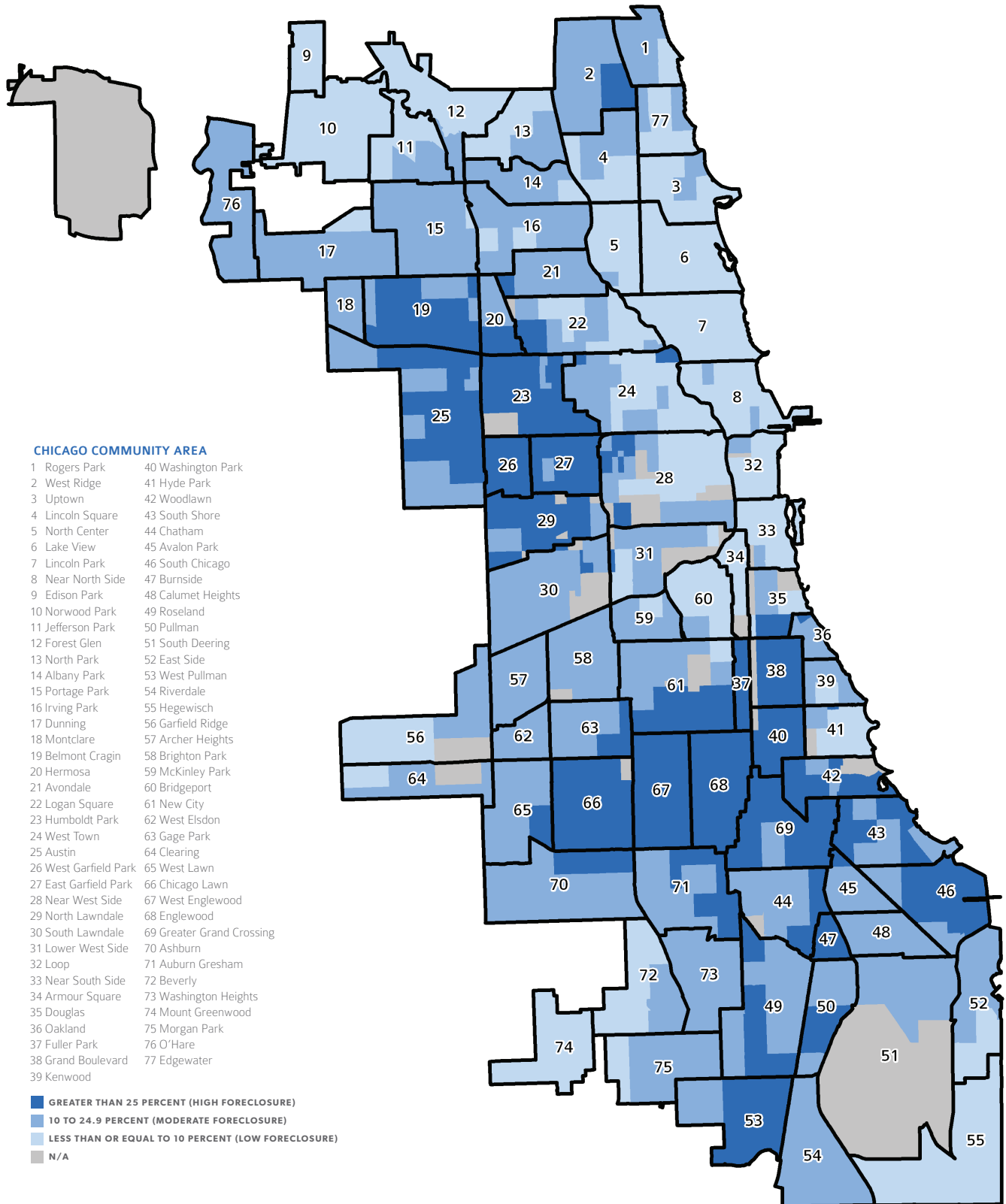


SOURCE: IHS DATA CLEARINGHOUSE, IHS CALCULATIONS OF DATA FROM CITY OF CHICAGO (Q2 2010), U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Q4 2010), ILLINOIS HOUSING DEVELOPMENT AUTHORITY (Q3 2011), COOK COUNTY ASSESSOR

## Recent Trends in the Housing Market

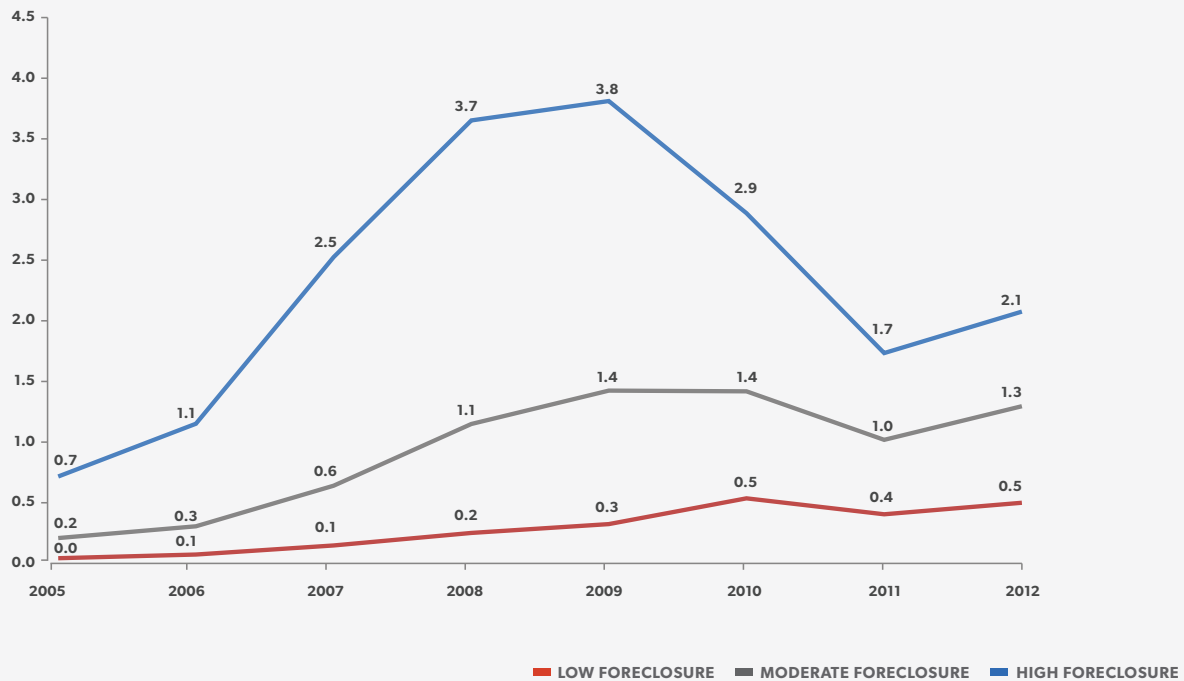
In the last five years, the City of Chicago's housing market has experienced dramatic changes. After a boom period that saw rising levels of home ownership and property values, the collapse of the housing market led to a rise in foreclosure activity, increased levels of distress in many communities, and growing rental demand. The following section looks at the neighborhood level variation in a number of key housing market indicators including foreclosure activity, vacancy, property sales characteristics, and mortgage lending. It highlights the divergent paths many neighborhood housing markets are experiencing. It also looks at the price changes in Chicago housing submarkets, the changing dynamic between renting and owning, the variation in affordable homeownership opportunities by submarket, and the growing rental housing affordability gap.

**VARIATION IN NEIGHBORHOOD DISTRESS LEVEL: SHARE OF PARCELS WITH AT LEAST ONE FORECLOSURE FILING BY CITY OF CHICAGO CENSUS TRACT, 2005 TO 2011**



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, AND COOK COUNTY ASSESSOR

DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: PROPERTIES ENTERING REO STATUS PER 100 RESIDENTIAL PARCELS BY NEIGHBORHOOD DISTRESS LEVEL, 2005 TO 2012<sup>1</sup>

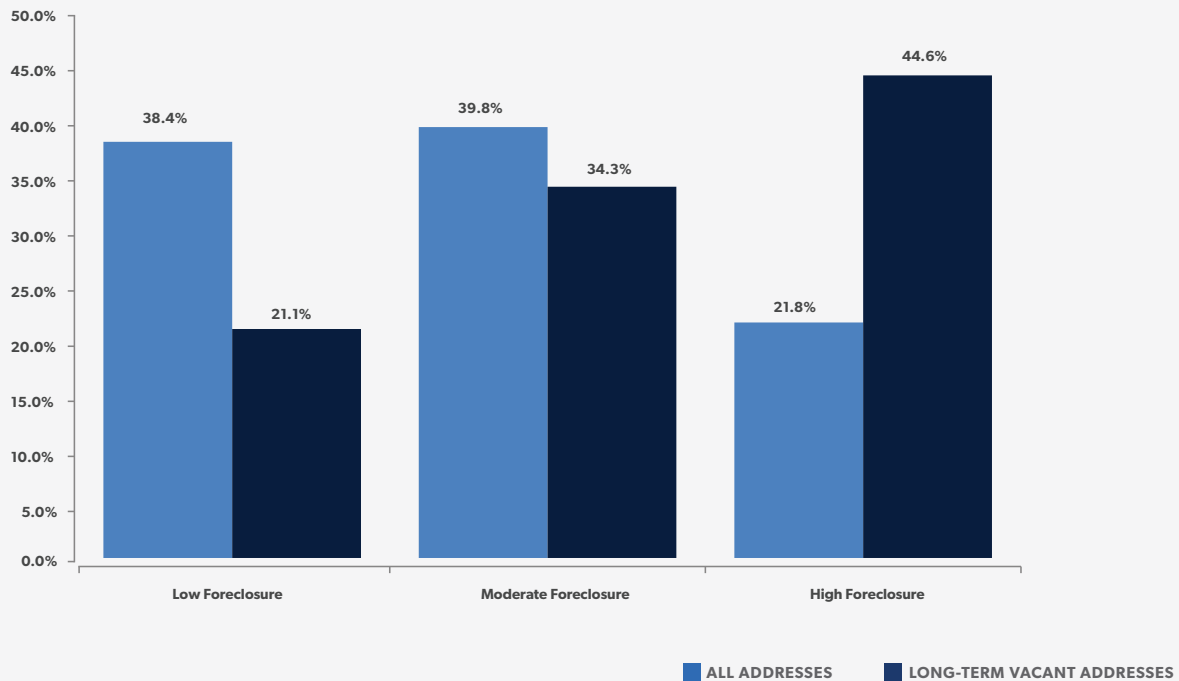


SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, AND COOK COUNTY ASSESSOR

<sup>1</sup>In low foreclosure areas, less than 10 percent of residential properties have had at least one foreclosure filing between 2005 and 2011; in moderate foreclosure areas between 10 and 24.9 percent of residential properties have had at least one foreclosure filing between 2005 and 2011; and for high foreclosure areas, 25 percent or more properties have had at least one foreclosure filing during this period.



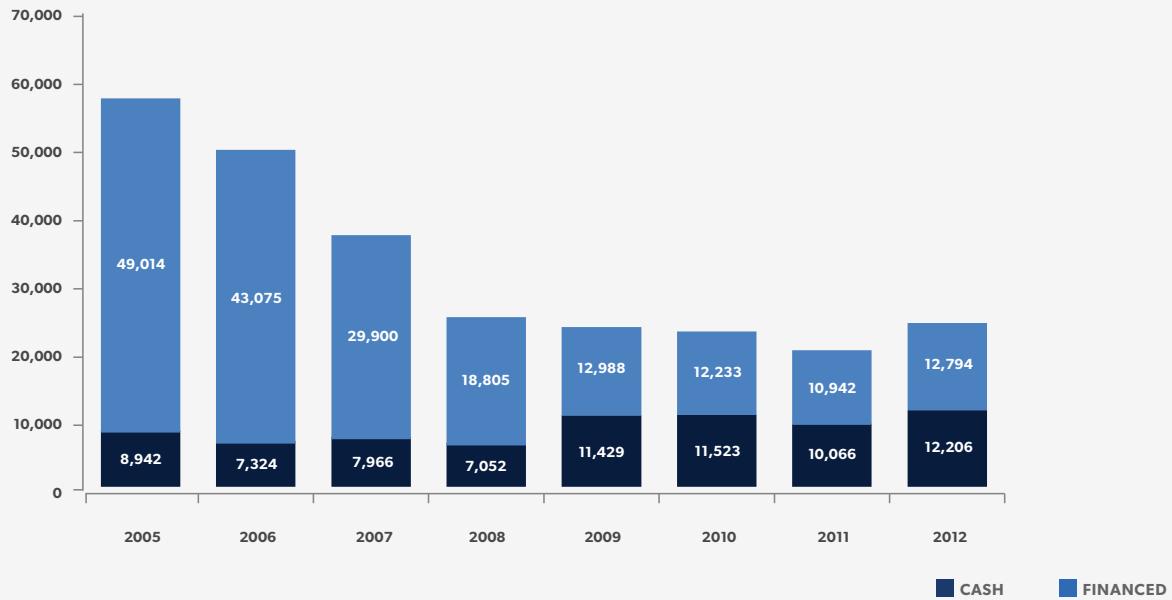
DIVERGENT NEIGHBORHOOD HOUSING MARKET CONDITIONS IN THE CITY OF CHICAGO: LONG-TERM VACANCY BY NEIGHBORHOOD FORECLOSURE DISTRESS LEVEL, 4Q 2012<sup>2</sup>



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM HUD AGGREGATED USPS ADMINISTRATIVE DATA ON ADDRESS VACANCIES, RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, AND COOK COUNTY ASSESSOR

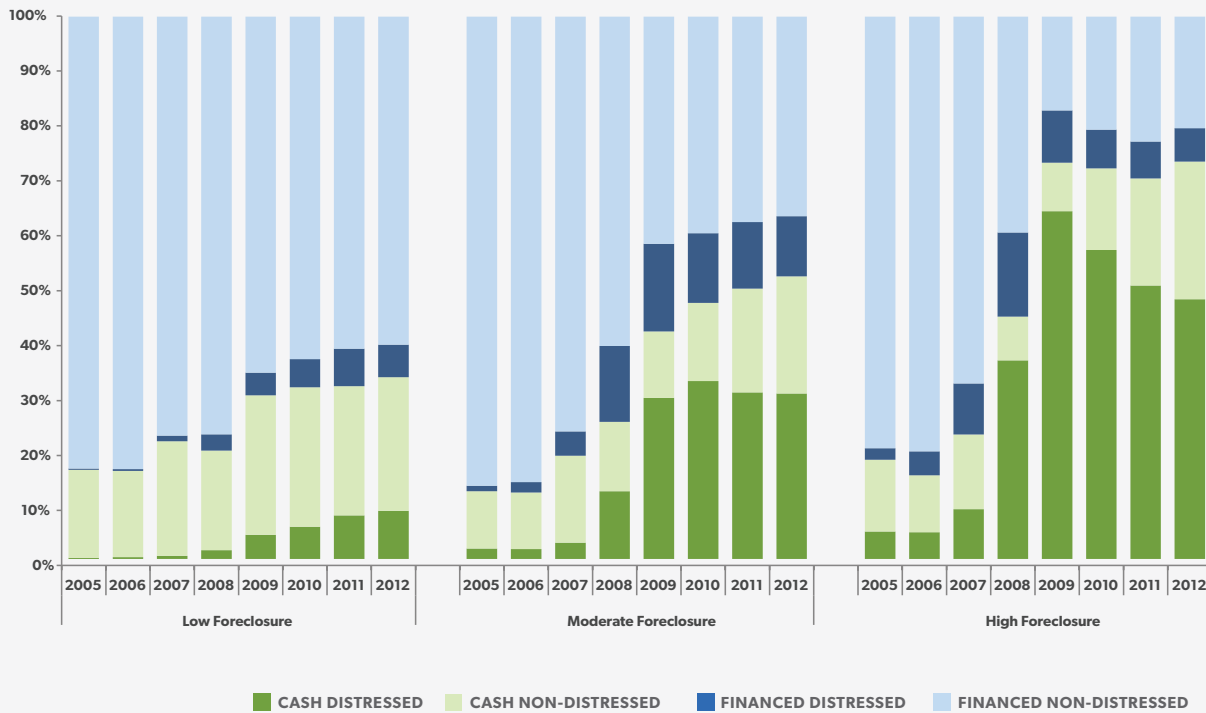
<sup>2</sup>Long-term vacancy is defined as an address vacant for 24 months or more.

CHANGING HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: ANNUAL PROPERTY SALES BY ACQUISITION METHOD, 2005 TO 2012



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR, MIDWEST REAL ESTATE DATA

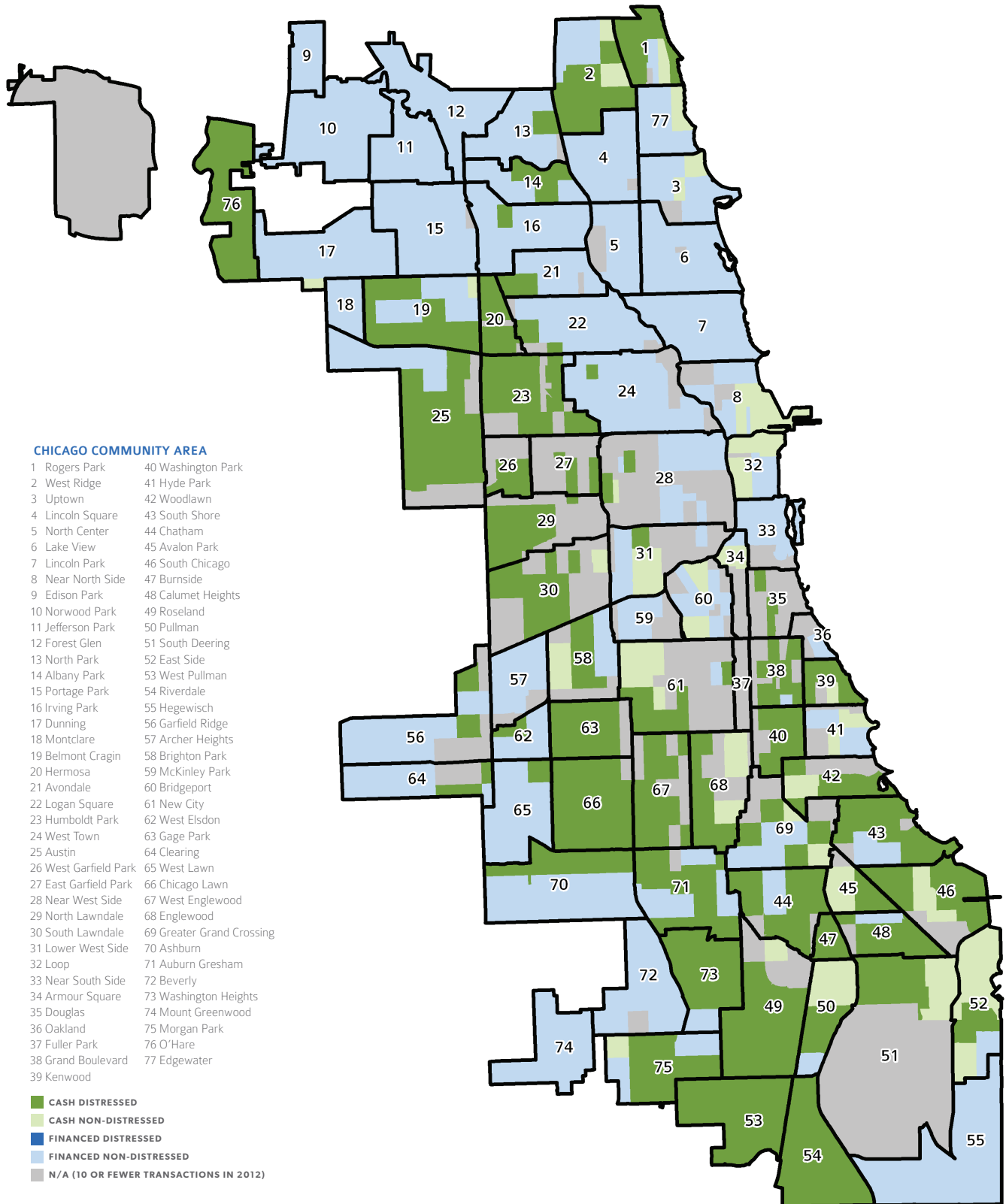
DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: PROPERTY SALES BY ACQUISITION METHOD, TYPE OF PURCHASE AND NEIGHBORHOOD FORECLOSURE-DISTRESS LEVEL, 2005 TO 2012<sup>3</sup>



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR, MIDWEST REAL ESTATE DATA

<sup>3</sup>In low foreclosure areas, less than 10 percent of residential properties have had at least one foreclosure filing between 2005 and 2011; in moderate foreclosure areas between 10 and 24.9 percent of residential properties have had at least one foreclosure filing between 2005 and 2011; and for high foreclosure areas, 25 percent or more properties have had at least one foreclosure filing during this period.

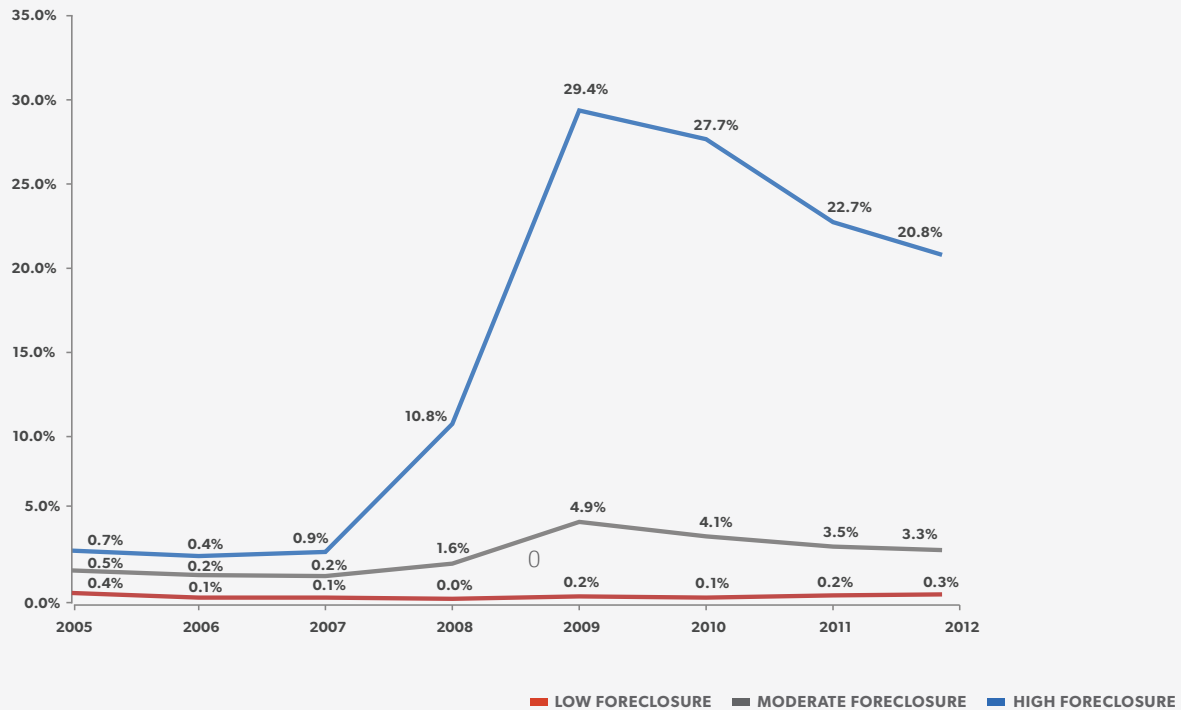
VARIATION IN NEIGHBORHOOD HOUSING MARKET CONDITIONS: PREDOMINANT METHOD OF PROPERTY ACQUISITION  
BY CITY OF CHICAGO CENSUS TRACT, 2012



SOURCES: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR, MIDWEST REAL ESTATE DATA



DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: SHARE OF NON-CONDOMINIUM PROPERTY SALES LESS THAN \$20,000 BY NEIGHBORHOOD FORECLOSURE-DISTRESS LEVEL, 2005 TO 2012



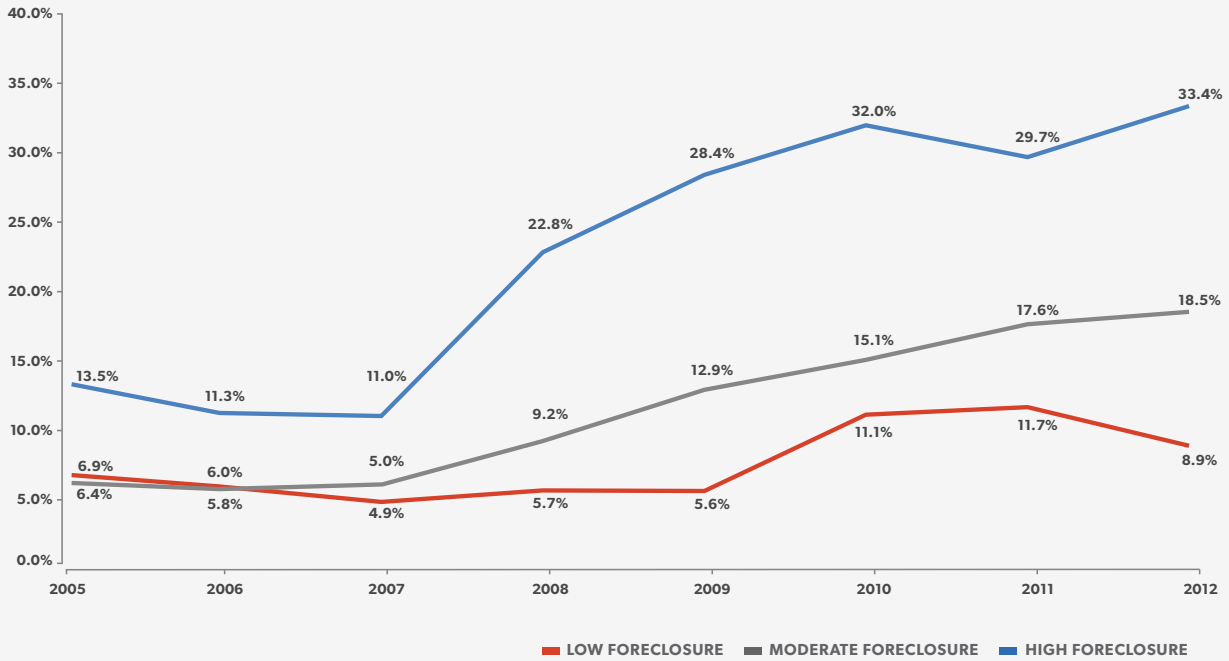
SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR

DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: SHARE OF NON-CONDOMINIUM PROPERTY SALES LESS THAN \$20,000 BY NEIGHBORHOOD FORECLOSURE-DISTRESS LEVEL, 2010 TO 2012

	2010		2011		2012	
	Extremely Low Value Sales	Total Sales	Extremely Low Value Sales	Total Sales	Extremely Low Value Sales	Total Sales
Low Foreclosure	3	3,326	8	3,446	12	4,160
Moderate Foreclosure	287	7,031	224	6,456	250	7,663
High Foreclosure	1,660	6,002	1,057	4,649	963	4,631
City of Chicago	1,950	16,359	1,289	14,551	1,225	16,454

SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR

DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: SHARE OF SINGLE FAMILY AND CONDOMINIUM SALES PURCHASED BY SELF-IDENTIFIED BUSINESS BUYERS BY NEIGHBORHOOD FORECLOSURE DISTRESS LEVEL, 2005 TO 2012



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR

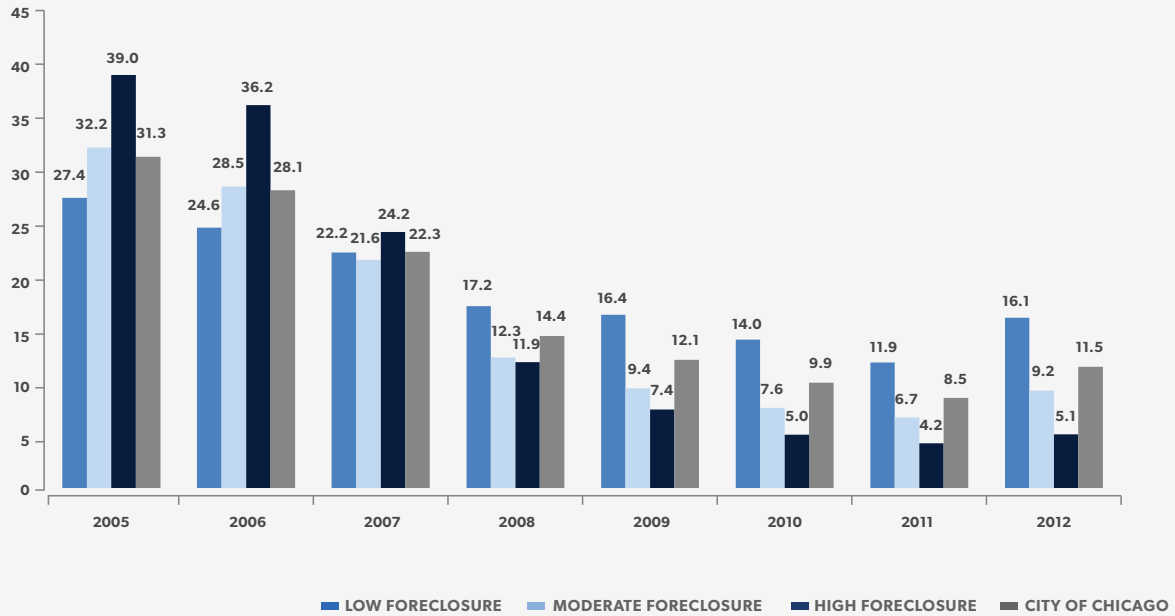
TABLE 4

DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: SHARE OF SINGLE FAMILY AND CONDOMINIUM SALES PURCHASED BY SELF-IDENTIFIED BUSINESS BUYERS BY NEIGHBORHOOD FORECLOSURE DISTRESS LEVEL, 2010 TO 2012

	2010		2011		2012	
	Business Buyers	Total Sales	Business Buyers	Total Sales	Business Buyers	Total Sales
Low Foreclosure	1,497	13,450	1,389	11,901	1,315	14,789
Moderate Foreclosure	1,285	8,518	1,414	8,012	1,870	10,083
High Foreclosure	1,225	3,831	954	3,214	1,153	3,456
City of Chicago	4,007	25,799	3,757	23,127	4,338	28,328

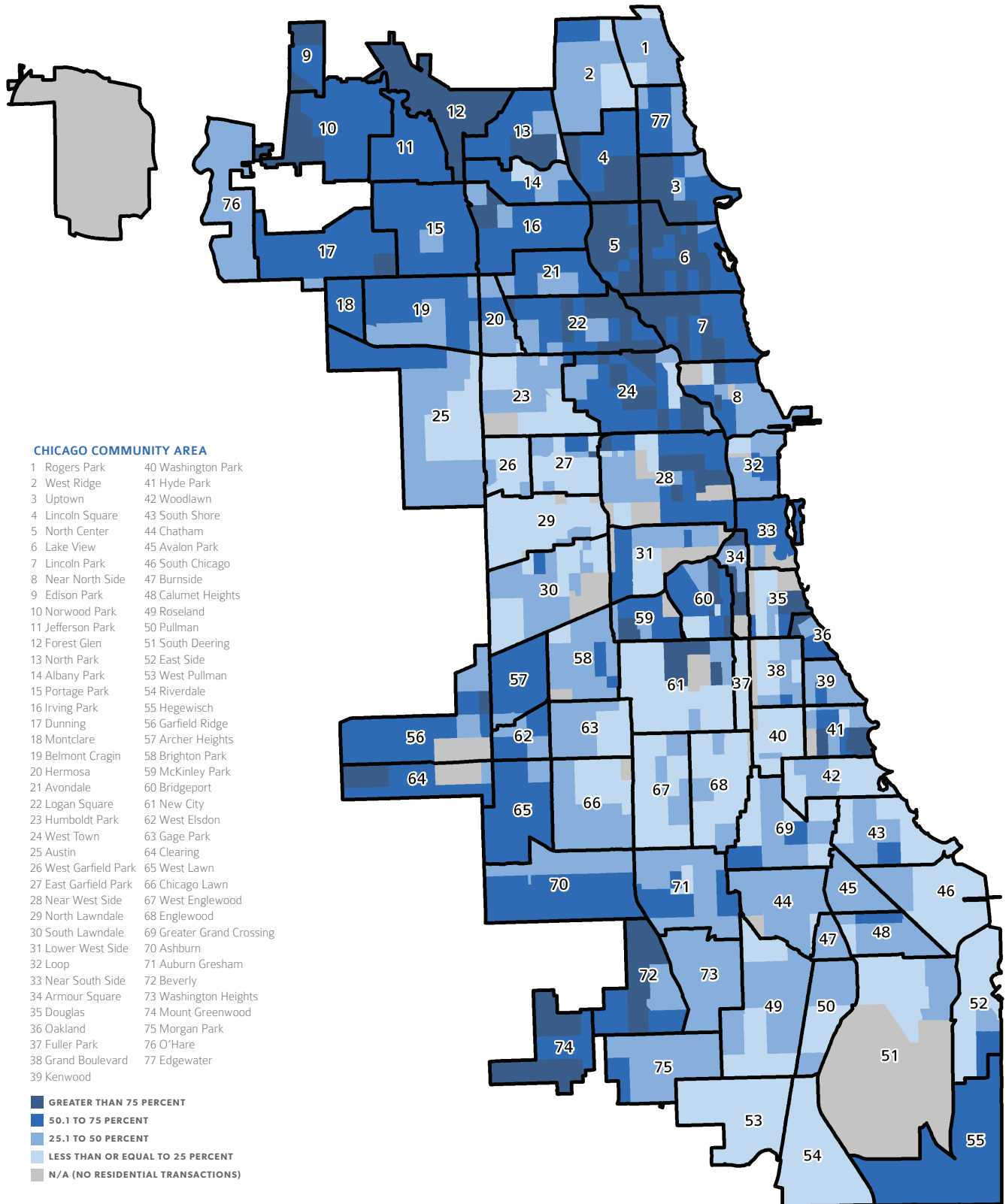
SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR

DIVERGENT NEIGHBORHOOD HOUSING MARKET TRENDS IN THE CITY OF CHICAGO: MORTGAGE ACTIVITY BY NEIGHBORHOOD FORECLOSURE DISTRESS LEVEL, 2005 TO 2012



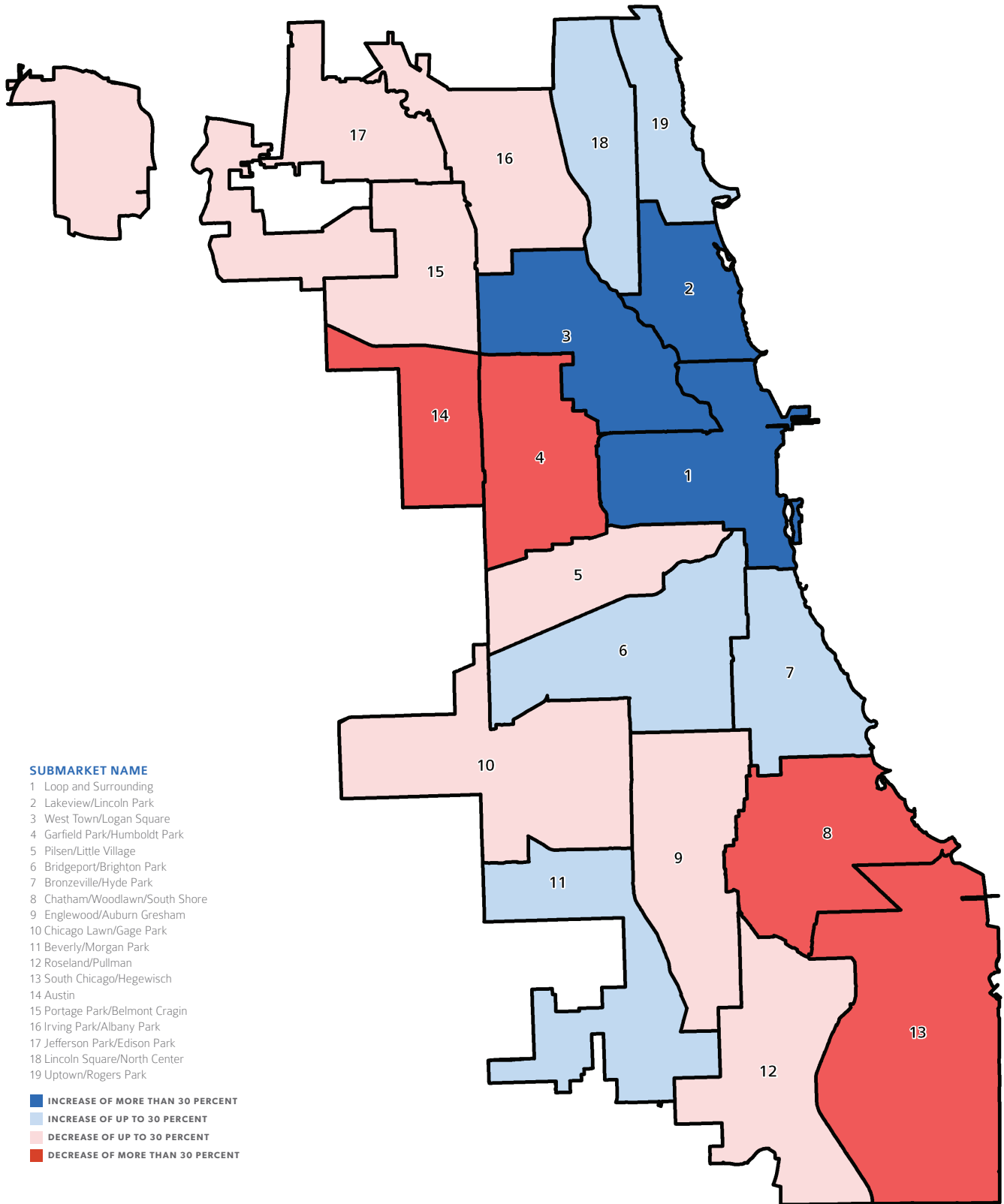
SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR

VARIATION IN NEIGHBORHOOD LENDING PATTERNS: SHARE OF PURCHASES THAT WERE FINANCED IN 2012 BY CITY OF CHICAGO CENSUS TRACT



SOURCE: IHS DATA CLEARINGHOUSE, CALCULATIONS OF DATA FROM RECORD INFORMATION SERVICES, COOK COUNTY RECORDER OF DEEDS VIA PROPERTY INSIGHT, COOK COUNTY ASSESSOR, MIDWEST REAL ESTATE DATA

VARIATION IN NEIGHBORHOOD PRICE TRENDS: PRICE CHANGE SINCE 2000 BY CITY OF CHICAGO SUBMARKET, 1Q 2000 TO 4Q 2012



SOURCE: IHS COOK COUNTY HOUSE PRICE INDEX

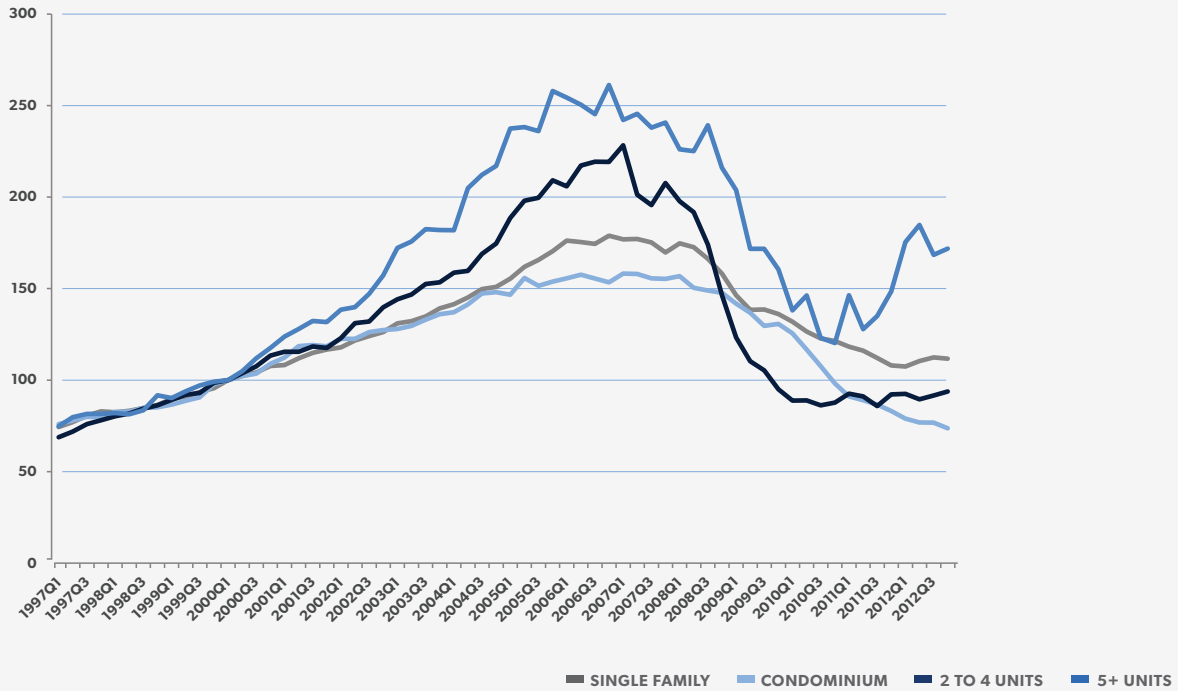
VARIATION IN POTENTIAL HOMEOWNERSHIP AFFORDABILITY: SHARE OF RENTERS WHO CAN AFFORDABLY PAY FOR A MEDIAN-PRICED SINGLE FAMILY HOME IN THEIR COMMUNITY BY CITY OF CHICAGO SUBMARKET, 2012<sup>4</sup>

Submarket	Median Single Family Sales Price, 2012	Annual Income Required to Affordably Own Single Family Home	Percent of Renters who can Affordably Own at 100 Percent Financed
Lakeview/Lincoln Park	\$840,000	\$206,418	4.0%
Uptown/Rogers Park	\$422,500	\$103,824	4.9%
Lincoln Square/North Center	\$411,500	\$101,120	9.1%
Bronzeville/Hyde Park	\$237,500	\$58,362	13.8%
Irving Park/Albany Park	\$275,000	\$67,577	13.9%
Loop and Surrounding	\$541,750	\$133,128	16.4%
West Town/Logan Square	\$340,000	\$83,550	18.8%
Portage Park/Belmont Cragin	\$148,250	\$36,430	42.7%
Bridgeport/Brighton Park	\$110,000	\$27,031	47.2%
Jefferson Park/Edison Park	\$196,500	\$48,287	47.6%
Chicago Lawn/Gage Park	\$104,000	\$25,557	55.5%
Beverly/Morgan Park	\$125,000	\$30,717	62.4%
Austin	\$63,000	\$15,481	66.5%
Garfield Park/Humboldt Park	\$40,000	\$9,829	74.7%
Chatham/Woodlawn/South Shore	\$44,750	\$10,997	79.4%
Pilsen/Little Village	\$47,500	\$11,672	81.3%
Englewood/Auburn Gresham	\$34,944	\$8,587	82.4%
South Chicago/Hegewisch	\$42,000	\$10,321	83.9%
Roseland/Pullman	\$27,000	\$6,635	94.0%
<b>City of Chicago</b>	<b>\$135,000</b>	<b>\$33,174</b>	<b>36.7%</b>

SOURCE: IHS DATA CLEARINGHOUSE/AMERICAN COMMUNITY SURVEY, 2011 1-YEAR PUMS FILE

<sup>4</sup>Affordable housing payment was calculated based on 30 percent of median monthly income of renter households. 2011 incomes were adjusted to 2012 dollars based on rate of inflation. Estimated monthly housing payment is calculated using the sum of an estimated mortgage payment, estimated homeowners insurance and property tax payment. The mortgage payment was calculated using the 2012 median sales price of single family and condominiums in a given submarket and based on assumptions of a 30 year fixed term at 3.5 percent interest. Homeowners insurance was based on estimated replacement cost ((sale price/1000)\*3.5) and property tax was estimated at 10 percent (assessment rate) of the factor of the median sale price and the assessment level (16 percent).

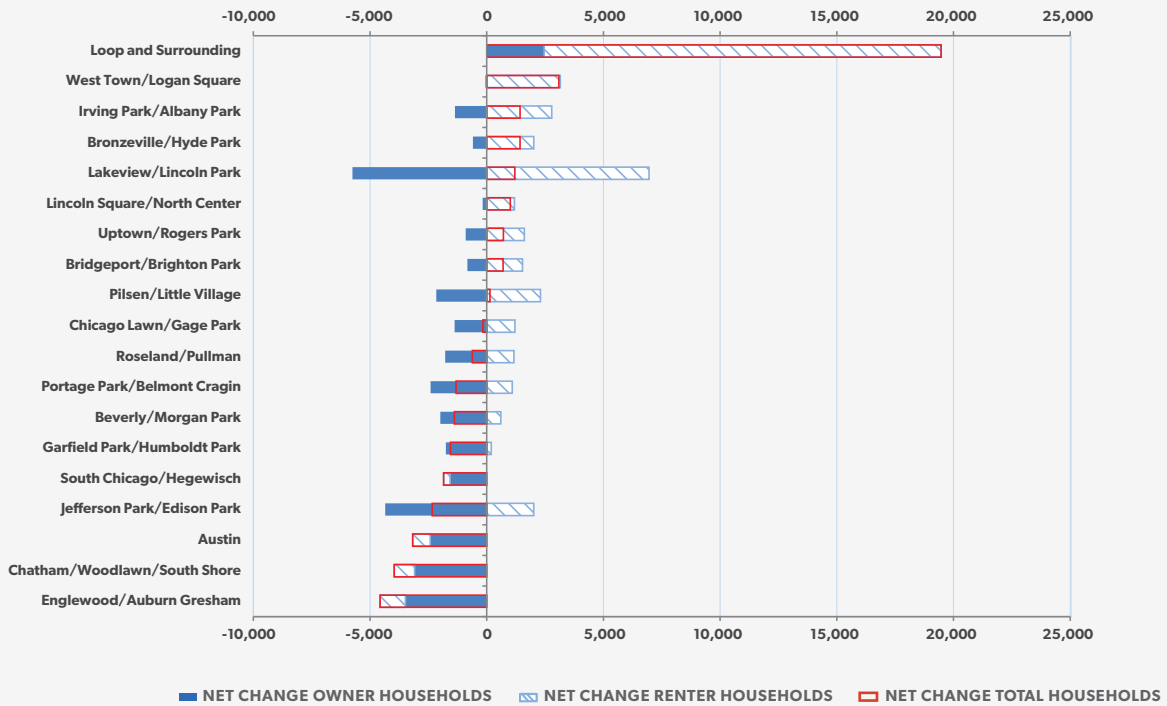
LONG-TERM HOUSE PRICE TRENDS IN THE CITY OF CHICAGO: QUARTERLY PRICE CHANGES BY PROPERTY TYPE, 1Q 1997 TO 4Q 2012



SOURCE: IHS COOK COUNTY HOUSE PRICE INDEX

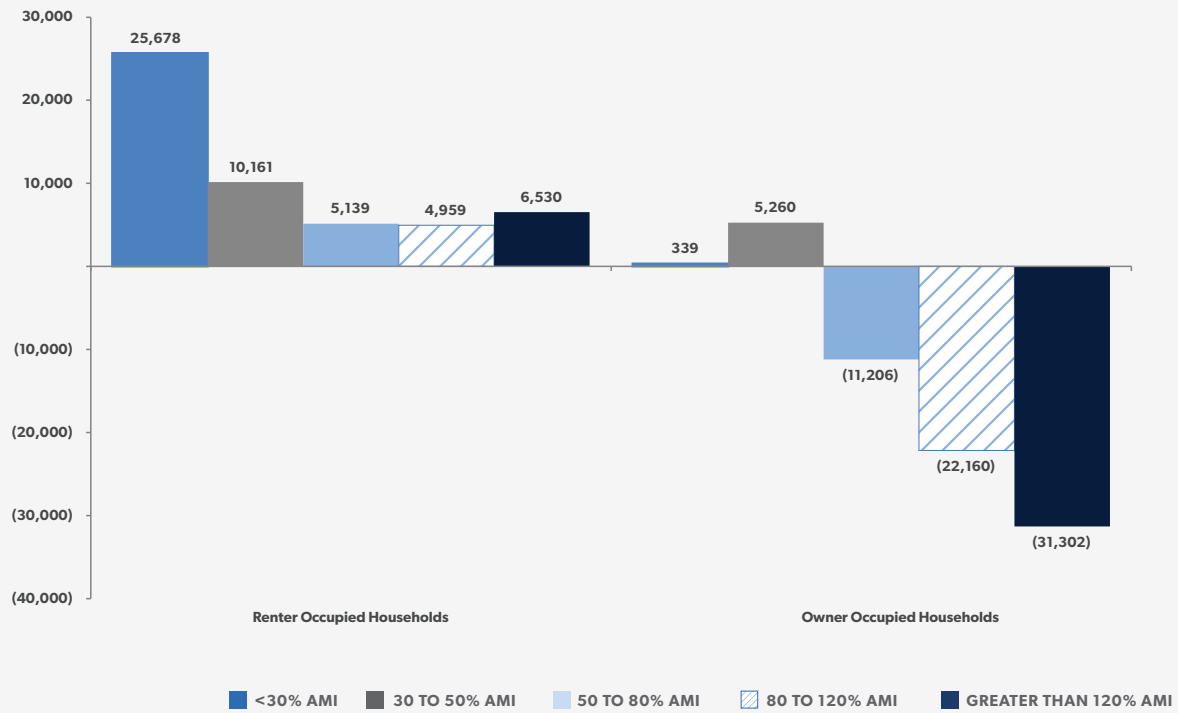


SHIFTING TENURE CHOICE: NET CHANGE IN HOUSEHOLDS BY TENURE IN CITY OF CHICAGO SUBMARKETS, 2007 TO 2011



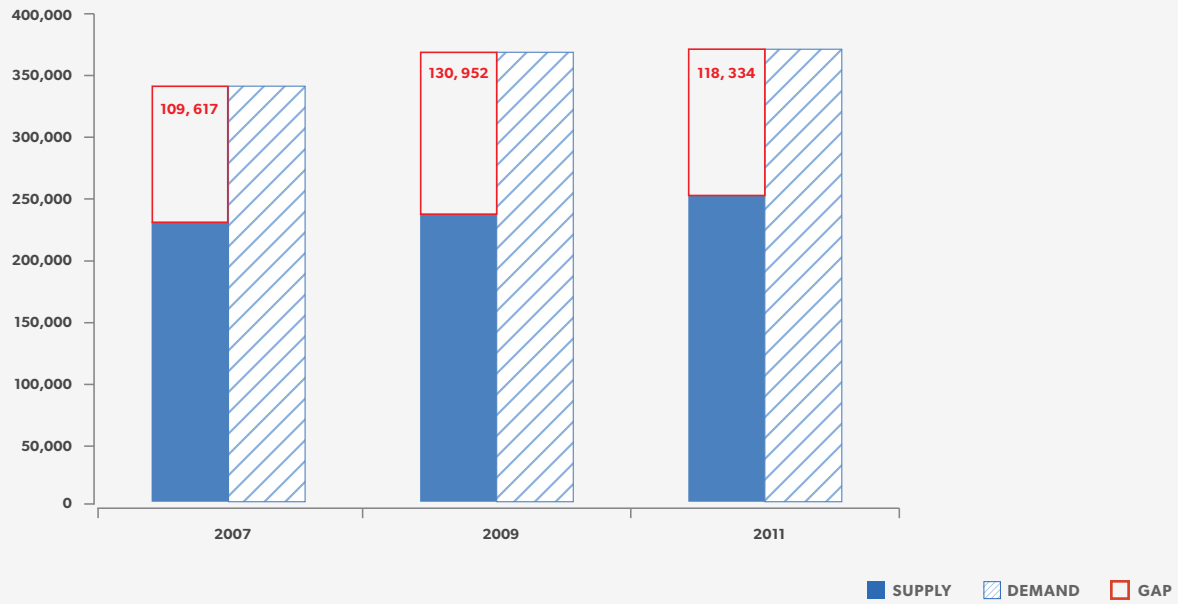
SOURCE: AMERICAN COMMUNITY SURVEY, 2007 AND 2011, 3-YEAR PUMS FILES

SHIFTING TENURE CHOICE IN THE CITY OF CHICAGO: NET CHANGE IN HOUSEHOLD TENURE BY HOUSEHOLD INCOME LEVEL, 2007 TO 2011



SOURCE: AMERICAN COMMUNITY SURVEY, 2007 AND 2011, 1-YEAR PUMS FILES

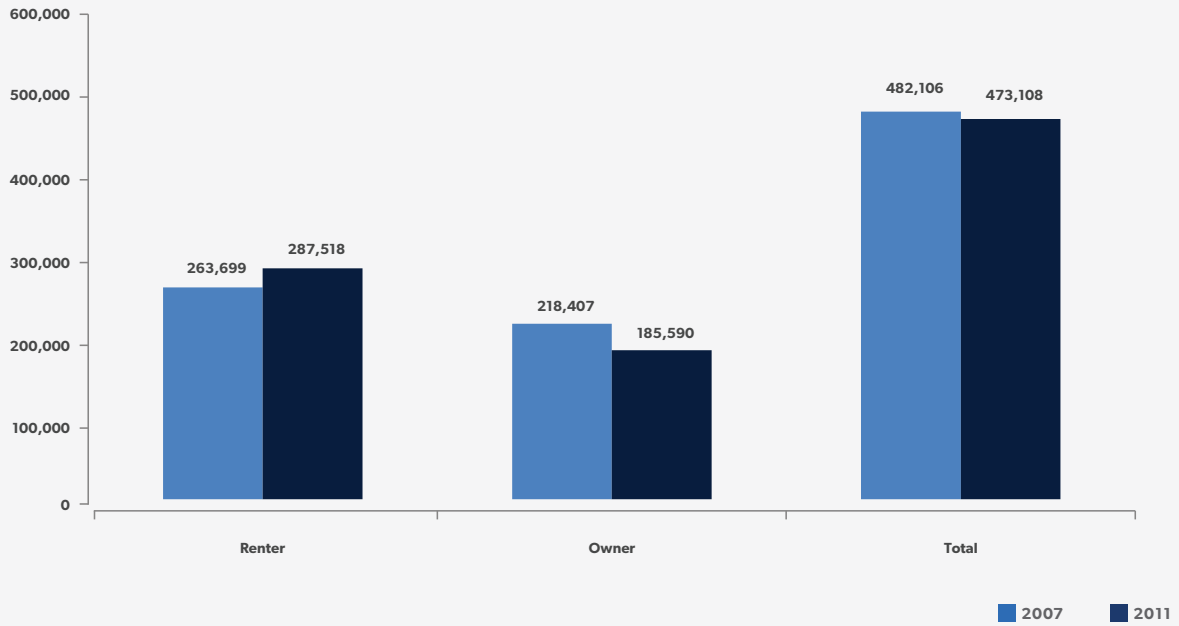
CHICAGO'S UNMET DEMAND FOR AFFORDABLE RENTAL HOUSING: GAP BETWEEN DEMAND FOR AND SUPPLY OF AFFORDABLE RENTAL HOUSING, 2007, 2009, 2011<sup>5</sup>



SOURCE: IHS CALCULATIONS OF AMERICAN COMMUNITY SURVEY, 2007, 2009, AND 2011, 1-YEAR PUMS FILES

<sup>5</sup>Affordable rental demand is defined as a renter household earning 150 percent of the poverty level or less. In 2011, such a household earned \$34,532. The affordable rental supply is defined as rental units affordable to a household earning that amount paying 30 percent or less of their monthly income towards rent. In 2011, the monthly gross rent for such a unit would be \$863.29.

CHANGING HOUSING AFFORDABILITY IN THE CITY OF CHICAGO: CHANGE IN COST-BURDENED HOUSEHOLDS BY INCOME LEVEL AND TENURE CHOICE, 2007 TO 2011<sup>6</sup>



SOURCE: AMERICAN COMMUNITY SURVEY, 2007 AND 2011, 1-YEAR PUMS FILES

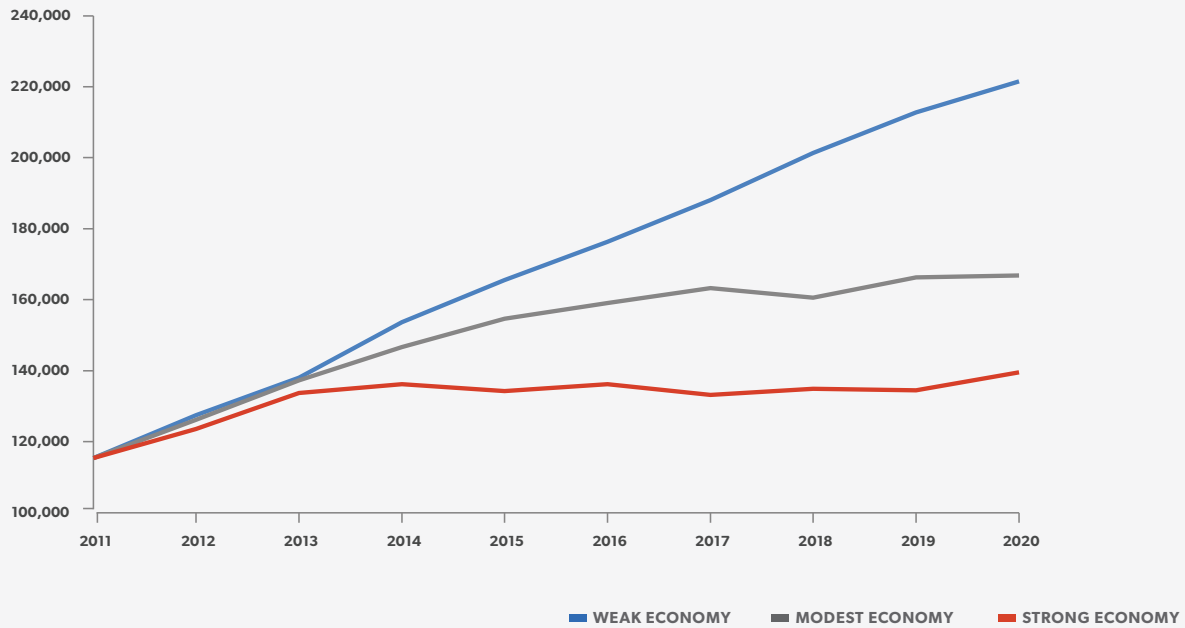
<sup>6</sup>Cost-burdened households are those paying more than 30 percent of their monthly income towards housing costs.

# Rental Housing Affordability Over the Next Five Years

Understanding the potential future demand for affordable rental housing and how the gap between the supply of and demand for affordable rental housing might change citywide is important for determining the allocation of housing resources. The following section highlights the results of a predictive model developed by the Institute for Housing Studies<sup>7</sup>. This model estimates the supply of and demand for affordable rental housing and the gap between the two in strong, modest, and weak economic scenarios for the City of Chicago.

<sup>7</sup>IHS estimated the changes in both the demand for and supply of affordable rental housing for each year between 2012 and 2020 by considering three potential economic scenarios. The first, weak economy scenario, assumes ongoing job losses and sluggish income growth as national and regional economies continue to struggle and that real incomes fall by 1 percent annually. The second, the strong economy scenario, assumes real income growth of 3 percent per year and significant job creation. The third or modest growth scenario is something between the first two. It assumes flat real income growth and moderate job creation. In each case, we factor in a life cycle component of income growth as well. In the model, younger households continue to see their incomes grow faster than those for older households. Based on current population trends, however, the model assumes annual increases in the number older households and declines in the number of younger households.

PROJECTING RENTAL HOUSING AFFORDABILITY IN THE CITY OF CHICAGO: ESTIMATED GAP BETWEEN SUPPLY OF AND DEMAND FOR AFFORDABLE RENTAL HOUSING IN DIFFERENT ECONOMIC GROWTH SCENARIOS, 2011-2020



SOURCE: IHS PROJECTIONS





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